

Illinois-American Water Company
Adjustment to Depreciation Expense-Southern and Peoria

<u>Account Description</u>		<u>2001 Average Balance (1)</u>	<u>Staff Depreciation Rate (2)</u>	<u>Recalculated Depreciation</u>	<u>Staff Depreciation Expense (3)</u>	<u>Increase in Depreciation Expense</u>
320.10	Water Treatment Equipment	\$32,784,008	5.97%	\$1,957,205		
320.20	Chemical Equipment	13,341,965	7.60%	1,013,989		
		\$46,125,973		\$2,971,194	\$2,753,721	\$217,473
334.21	Meter Installations	\$12,069,122	3.50%	\$422,419		
334.23	Vaults	1,072,664	2.68%	28,747		
		\$13,141,786		\$451,166	\$459,963	(\$8,797)

(1) Detail of Account Balance shown on Staff Exhibit 2.0, Schedule 2.2-S&P, Page 2 of 4

(2) Staff Exhibit 5.0, Schedule 5.5

(3) Staff Exhibit 2.0, Schedule 2.2-S&P, Page 2 of 4